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## **Consumer Price Index, Phoenix area – October 2019**

**Area prices were up 1.4 percent over the past two months, up 3.8 percent from a year ago**

Prices in the Phoenix area, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), increased 1.4 percent for the two months ending in October 2019, the U.S. Bureau of Labor Statistics reported today. (See [table A](#).) Assistant Commissioner for Regional Operations Richard Holden noted that the October increase was influenced by higher prices for medical care. (Data in this report are not seasonally adjusted. Accordingly, bi-monthly changes may reflect seasonal influences.)

Over the last 12 months, the CPI-U rose 3.8 percent. (See [chart 1](#) and [table A](#).) The index for all items less food and energy increased 4.2 percent over the year. Food prices rose 3.4 percent. Energy prices inched up 0.1 percent, largely the result of an increase in the price of gasoline. (See [table 1](#).)

### **Food**

Food prices advanced 1.4 percent for the two months ending in October. (See [table 1](#).) Prices for food at home rose 1.6 percent, and prices for food away from home increased 1.1 percent for the same period.

Over the year, food prices rose 3.4 percent. Prices for food at home advanced 4.2 percent since a year ago, and prices for food away from home increased 2.4 percent.

### **Energy**

The energy index rose 2.5 percent for the two months ending in October. The increase was mainly due to higher prices for gasoline (6.8 percent). Prices for electricity declined 2.8 percent, and prices for natural gas service declined 1.5 percent for the same period.

Energy prices inched up 0.1 percent over the year, largely due to higher prices for gasoline (1.8 percent). Prices paid for natural gas service dropped 10.2 percent, and prices for electricity decreased 0.9 percent during the past year.

### **All items less food and energy**

The index for all items less food and energy advanced 1.4 percent in the latest two-month period. Higher prices for medical care (11.1 percent), other goods and services (2.3 percent), and shelter (0.6 percent) were partially offset by lower prices for used cars and trucks (-3.8 percent) and recreation (-0.6 percent).

Over the year, the index for all items less food and energy increased 4.2 percent. Components contributing to the increase included medical care (16.0 percent) and shelter (5.4 percent). Partly offsetting the increases were price declines in apparel (-2.5 percent) and education and communication (-1.4 percent).

**The December 2019 Consumer Price Index for the Phoenix area is scheduled to be released on January 14, 2020.**

### **Consumer Price Index Geographic Revision for 2018**

In January 2018, BLS introduced a new geographic area sample for the Consumer Price Index (CPI). This index changed to a bimonthly publication schedule beginning in February, 2018. Additional information on the geographic revision is available at: [www.bls.gov/cpi/additional-resources/geographic-revision-2018.htm](http://www.bls.gov/cpi/additional-resources/geographic-revision-2018.htm).

### **Technical Note**

The Consumer Price Index (CPI) is a measure of the average change in prices over time in a fixed market basket of goods and services. The Bureau of Labor Statistics publishes CPIs for two population groups: (1) a CPI for All Urban Consumers (CPI-U) which covers approximately 89 percent of the total population and (2) a CPI for Urban Wage Earners and Clerical Workers (CPI-W) which covers 28 percent of the total population. The CPI-U includes, in addition to wage earners and clerical workers, groups such as professional, managerial, and technical workers, the self-employed, short-term workers, the unemployed, and retirees and others not in the labor force.

The CPI is based on prices of food, clothing, shelter, and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and the other goods and services that people buy for day-to-day living. Each month, prices are collected in 87 urban areas across the country from about 6,000 housing units and approximately 24,000 retail establishments--department stores, supermarkets, hospitals, filling stations, and other types of stores and service establishments. All taxes directly associated with the purchase and use of items are included in the index.

The index measures price changes from a designated reference date (1982-84) that equals 100.0. An increase of 16.5 percent, for example, is shown as 116.5. This change can also be expressed in dollars as follows: the price of a base period "market basket" of goods and services in the CPI has risen from \$10 in 1982-84 to \$11.65. For further details see the CPI home page on the Internet at [www.bls.gov/cpi](http://www.bls.gov/cpi) and the BLS Handbook of Methods, Chapter 17, The Consumer Price Index, available on the Internet at [www.bls.gov/opub/hom/homch17\\_a.htm](http://www.bls.gov/opub/hom/homch17_a.htm).

In calculating the index, price changes for the various items in each location are averaged together with weights that represent their importance in the spending of the appropriate population group. Local data are then combined to obtain a U.S. city average. Because the sample size of a local area is smaller, the local area index is subject to substantially more sampling and other measurement error than the national index. In addition, local indexes are not adjusted for seasonal influences. As a result, local area indexes show greater volatility than the national index, although their long-term trends are quite similar. **NOTE: Area indexes do not measure differences in the level of prices between cities; they only measure the average change in prices for each area since the base period.**

The Phoenix-Mesa-Scottsdale metropolitan area covered in this release consists of Maricopa and Pinal Counties in the State of Arizona.

Information in this release will be made available to sensory impaired individuals upon request. Voice phone: (202) 691-5200; Federal Relay Service: (800) 877-8339.

**Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods Phoenix-Mesa-Scottsdale (December 2001=100 unless otherwise noted)**

Item and Group	Indexes			Percent change from-		
	Aug. 2019	Sep. 2019	Oct. 2019	Oct. 2018	Aug. 2019	Sep. 2019
<b>Expenditure category</b>						
All items .....	143.760	-	145.833	3.8	1.4	-
Food and beverages .....	148.522	-	150.047	3.1	1.0	-
Food .....	149.490	-	151.519	3.4	1.4	-
Food at home .....	144.524	146.800	146.811	4.2	1.6	0.0
Cereals and bakery products .....	184.691	-	189.444	4.5	2.6	-
Meats, poultry, fish, and eggs .....	178.203	-	183.387	4.4	2.9	-
Dairy and related products .....	110.083	-	113.307	7.2	2.9	-
Fruits and vegetables .....	132.898	-	128.122	3.1	-3.6	-
Nonalcoholic beverages and beverage materials .....	104.379	-	105.863	-0.9	1.4	-
Other food at home .....	141.436	-	145.560	5.6	2.9	-
Food away from home .....	157.484	-	159.174	2.4	1.1	-
Alcoholic beverages .....	140.358	-	137.042	0.0	-2.4	-
Housing .....	150.385	-	150.860	4.9	0.3	-
Shelter .....	155.755	156.350	156.743	5.4	0.6	0.3
Rent of primary residence .....	164.237	165.375	165.859	6.8	1.0	0.3
Owners' equiv. rent of residences .....	153.586	154.718	155.395	5.5	1.2	0.4
Owners' equiv. rent of primary residence .....	153.586	154.718	155.395	5.5	1.2	0.4
Fuels and utilities .....	174.597	-	171.364	0.0	-1.9	-
Household energy .....	181.116	176.633	176.470	-1.8	-2.6	-0.1
Energy services .....	181.072	176.538	176.258	-1.9	-2.7	-0.2
Electricity .....	197.659	192.402	192.170	-0.9	-2.8	-0.1
Utility (piped) gas service .....	98.234	97.247	96.744	-10.2	-1.5	-0.5
Household furnishings and operations .....	100.948	-	100.864	6.0	-0.1	-
Apparel .....	136.752	-	137.049	-2.5	0.2	-
Transportation .....	129.182	-	131.000	-0.1	1.4	-
Private transportation .....	130.529	-	132.756	0.1	1.7	-
New and used motor vehicles .....	92.755	-	92.519	-1.7	-0.3	-
New vehicles .....	93.734	-	93.993	-0.6	0.3	-
Used cars and trucks .....	87.789	-	84.428	2.0	-3.8	-
Motor fuel .....	236.285	248.501	252.012	1.6	6.7	1.4
Gasoline (all types) .....	236.562	249.053	252.611	1.8	6.8	1.4
Gasoline, unleaded regular(1) .....	237.442	250.314	254.074	1.9	7.0	1.5
Gasoline, unleaded midgrade(1) .....	247.382	258.267	262.284	1.3	6.0	1.6
Gasoline, unleaded premium(1) .....	235.539	246.493	248.921	1.5	5.7	1.0
Motor vehicle insurance .....	168.981	-	168.981	-1.8	0.0	-
Medical care .....	182.302	-	202.553	16.0	11.1	-
Recreation .....	117.277	-	116.559	0.7	-0.6	-
Education and communication .....	116.657	-	116.834	-1.4	0.2	-
Tuition, other school fees, and child care .....	200.384	-	200.384	2.1	0.0	-
Other goods and services .....	146.587	-	149.993	3.1	2.3	-
<b>Commodity and service group</b>						
All items .....	143.760	-	145.833	3.8	1.4	-
Commodities .....	122.930	-	127.112	4.1	3.4	-
Commodities less food & beverages .....	109.815	-	115.180	4.7	4.9	-
Nondurables less food & beverages .....	145.748	-	158.614	7.5	8.8	-
Durables .....	79.588	-	79.004	0.6	-0.7	-
Services .....	158.083	-	158.788	3.6	0.4	-
<b>Special aggregate indexes</b>						

Note: See footnotes at end of table.

**Table 1. Consumer Price Index for All Urban Consumers (CPI-U): Indexes and percent changes for selected periods Phoenix-Mesa-Scottsdale (December 2001=100 unless otherwise noted) - Continued**

Item and Group	Indexes			Percent change from-		
	Aug. 2019	Sep. 2019	Oct. 2019	Oct. 2018	Aug. 2019	Sep. 2019
All items less medical care .....	141.514	-	142.360	2.7	0.6	-
All items less shelter.....	137.450	-	140.082	2.8	1.9	-
Commodities less food .....	110.985	-	115.984	4.5	4.5	-
Nondurables .....	147.440	-	154.529	5.3	4.8	-
Nondurables less food.....	145.301	-	156.725	6.9	7.9	-
Services less rent of shelter .....	160.437	-	160.768	1.5	0.2	-
Services less medical care services.....	154.975	-	155.381	3.3	0.3	-
Energy .....	206.048	209.627	211.231	0.1	2.5	0.8
All items less energy .....	140.178	-	142.076	4.1	1.4	-
All items less food and energy .....	138.669	-	140.545	4.2	1.4	-

Footnotes

(1) Special index based on a substantially smaller sample.

- Data not available

NOTE: Index applies to a month as a whole, not to any specific date.